

Message Text

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PAGE 01 STATE 227265
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TO AMEMBASSY WARSAW PRIORITY
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AMEMBASSY BUCHAREST
AMEMBASSY BELGRADE
AMEMBASSY PRAGUE
AMEMBASSY SOFIA
AMEMBASSY MOSCOW
AMEMBASSY BERLIN
INFO AMCONSUL ZAGREB

UNCLAS STATE 227265

FOR AMB. FROM DAS LUERS - WARSAW PASS TO KRAKOW & POZNAN

E.O. 11652: N/A

TAGS: XH, US

SUBJECT: TESTIMONY ON EASTERN EUROPE BEFORE HIRC BY DAS
LUERS

1. I UNDERSTAND THAT THE WIRELESS FILE WILL GIVE SUBSTANTIAL COVERAGE TO MY TESTIMONY THIS MORNING BEFORE THE HAMILTON SUBCOMMITTEE OF THE HOUSE INTERNATIONAL RELATIONS COMMITTEE. WE ARE POUCHING COPIES OF THE FULL TEXT OF THE PREPARED STATEMENT TO YOU AND WILL ALSO SEND ALONG UNCLASSIFIED

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2. I PARTICULARLY WANT TO THANK YOU FOR YOUR COMMENTS -- ON VERY SHORT NOTICE-- ON THE DRAFT OF THE POLICY PORTION OF THE STATEMENT. WE FOUND IT VERY USEFUL TO HAVE YOUR THOUGHTS AND WE INCORPORATED ALMOST ALL OF THEM.

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THE CONTEXT OF U.S. POLICY

IN THE PRECEDING SECTIONS OF THIS STATEMENT WE HAVE ATTEMPTED TO OUTLINE THE CONTEXT IN WHICH U.S. POLICY MUST OPERATE:

-- HISTORICALLY EASTERN EUROPE HAS BEEN ALTERNATIVELY A BUFFER ZONE AND A BATTLEFIELD, A SPARK FOR WORLD WARS, AND AN AREA OF RIVALRY AMONG GREAT POWERS. BUT, DESPITE GREAT POWER COMPETITION FOR THE LOYALTIES OF THE PEOPLES OF EASTERN EUROPE, EACH NATION IN THE AREA HAS TENACIOUSLY UNCLASSIFIED

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-- SOVIET POWER, WHICH DOMINATED THE POLITICAL EVOLUTION OF EASTERN EUROPE FOLLOWING 1945, IS RECONCILED -- WITHIN LIMITS-- TO SOME DIVERSITY. THE SOVIET UNION HAS EVIDENTLY COME TO TOLERATE SOME DIVERSITY AND NATIONAL IDENTITY IN EASTERN EUROPE AS A NECESSARY TRADE-OFF FOR POLITICAL STABILITY AND ECONOMIC VIABILITY.

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EASTERN EUROPE IS IMPORTANT TO THE UNITED STATES
FOR TWO FUNDAMENTAL REASONS -- SECURITY AND HUMANITARIAN
CONCERNS:

-- OUR SECURITY IS LINKED TO EUROPE'S. TWO WORLD WARS
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CONSISTENT DIPLOMATIC EFFORTS TO REDUCE THE DANGERS OF
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-- THE WELFARE OF THE PEOPLES LIVING IN EASTERN EUROPE
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RELATED TO BOTH OUR SECURITY AND HUMANITARIAN
CONCERNS IS OUR INTEREST IN BUILDING MORE DURABLE TIES
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THROUGH EXPANDED TRADE AND ECONOMIC INTERACTION, THROUGH
CULTURAL AND EDUCATIONAL EXCHANGES, AND THROUGH THE
INCREASED INTERCHANGE OF PEOPLE AND IDEAS. THESE EFFORTS
MAY NOT PRODUCE MEASURABLE RESULTS IN THE SHORT TERM,
EITHER IN AMELIORATING EAST-WEST RELATIONS OR RELATIONS
BETWEEN THE GOVERNMENTS AND THEIR PEOPLES. BUT IT IS
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A LACK OF EFFORT TO EXPAND CONTACTS WITH THE REGION WOULD
RESULT IN GREATER STATE-TO-STATE TENSIONS AND LESS PROGRESS
ON HUMANITARIAN QUESTIONS.

ONE CAVEAT IS IMPORTANT. THE EFFORTS OF THIS AND
PREVIOUS ADMINISTRATIONS TO IMPROVE RELATIONS WITH THE
COUNTRIES OF EASTERN EUROPE IN NO WAY INDICATE A LESSENING
OF OUR CONCERN ABOUT THE LACK OF DEMOCRATIC INSTITUTIONS
AND OTHER BASIC ELEMENTS OF FREE SOCIETIES IN THAT PART OF
THE WORLD. WE CONTINUE TO HAVE PROFOUND DISAGREEMENTS
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WITH THE GOVERNMENTS OF EASTERN EUROPE OVER MANY QUESTIONS OF POLITICAL FREEDOMS AND BASIC HUMAN AND SOCIAL VALUES. WE HAVE SEEN HOPEFUL TRENDS IN THE EVOLUTION OF POLITICAL RIGHTS IN SOME COUNTRIES; THERE HAVE BEEN REGRESSIVE STEPS IN OTHERS. BUT THE VERY EXPANSION OF RELATIONS WITH THESE COUNTRIES HAS ENABLED US TO TALK MORE CANDIDLY WITH THEIR GOVERNMENTS ABOUT OUR DIFFERENCES BOTH IN BILATERAL DISCUSSIONS AND IN MULTILATERAL FORUMS.

EASTERN EUROPEAN INTERESTS

THE COUNTRIES OF EASTERN EUROPE HAVE STRONG INTERESTS IN BETTER RELATIONS WITH THE UNITED STATES. PARAMOUNT

AMONG THESE ARE THEIR OWN SECURITY CONCERNS. THE REGION STANDS TO LOSE DISASTROUSLY FROM ANY MAJOR EAST-WEST ARMED CONFRONTATION. THEIR MEMORIES AND SCARS OF WORLD WAR II ARE STILL FRESH. THE COUNTRIES AND PEOPLES OF THE REGION SEE BETTER RELATIONS WITH THE UNITED STATES, AND WITH THE WEST GENERALLY, AS A MEANS OF REDUCING THE RISK OF SUCH CONFRONTATION. THEY FEEL THEY HAVE A SPECIAL STAKE IN STABLE AND IMPROVING U.S.-SOVIET RELATIONS.

SECOND, THESE COUNTRIES DESIRE, PARTLY THROUGH FOREIGN TIES, TO ENHANCE THEIR NATIONAL IDENTITIES, OF WHICH THEY ARE JUSTIFIABLY PROUD. THEY CAN PURSUE THESE NATIONAL ASPIRATIONS MOST EFFECTIVELY IN AN ATMOSPHERE OF RELAXED EAST-WEST TENSIONS. THE GOVERNMENTS ARE ANXIOUS TO BE ACCEPTED, PARTICULARLY BY THEIR WESTERN EUROPEAN NEIGHBORS AND BY THE UNITED STATES, AS LEGITIMATE MEMBERS OF THE INTERNATIONAL COMMUNITY.

THIRD, ALL OF THE GOVERNMENTS ARE COMMITTED TO ECONOMIC GROWTH, AND THEIR PEOPLES ALL ASPIRE TO A HIGHER STANDARD OF LIVING. EXPANDED ECONOMIC AND COMMERCIAL RELATIONS WITH THE UNITED STATES, INCLUDING ACCESS TO

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OUR GOODS, TECHNOLOGY, AND KNOW-HOW, AND TO OUR MARKET, SERVE THE GOALS BOTH OF THE GOVERNMENTS AND OF THE PEOPLES OF EASTERN EUROPE.

FOURTH, THE IMPROVEMENT OF RELATIONS WITH THE UNITED STATES RESPONDS TO A DEEPLY-FELT ADMIRATION FOR THIS COUNTRY WHICH REMAINS NEARLY UNIVERSAL AMONG PEOPLE

THROUGHOUT EASTERN EUROPE. TO THE EXTENT THAT THESE GOVERNMENTS DEAL WITH THE UNITED STATES IN NON-HOSTILE TERMS, THEIR PEOPLES ALSO FEEL MORE RELAXED ABOUT EXPRESSING THEIR GOOD WILL TOWARD THE UNITED STATES. AND TO THE EXTENT THAT THE GOVERNMENTS CARE ABOUT THE IMPACT OF THEIR INTERNAL PRACTICES ON AMERICAN PUBLIC OPINION, THEY ARE LESS LIKELY TO EMPLOY REPRESSIVE MEASURES AND TO VIOLATE RECOGNIZED NORMS OF HUMAN RIGHTS.

IN ECONOMIC, TRADE AND CULTURAL RELATIONS, THE COUNTRIES OF WESTERN EUROPE HAVE PLAYED A GREATER ROLE HISTORICALLY IN EASTERN EUROPE THAN HAS THE UNITED STATES. HOWEVER, IN PSYCHOLOGICAL AND POLITICAL TERMS THE UNITED STATES IS EXPECTED TO PLAY AND INDEED PLAYS AN IMPORTANT IF NOT VITAL ROLE.

PAST U.S. POLICY

IN THE IMMEDIATE POST-WAR ERA, UNITED STATES POLICY TOWARD EASTERN EUROPE TENDED TO FUNCTION AS A COROLLARY

OF UNITED STATES POLICY TOWARD THE SOVIET UNION. IN THE 1950'S AND 1960'S THE COLD WAR DOMINATED OUR PERCEPTIONS AND CONDITIONED OUR POLICY. WE DEALT WITH THE REGION AS PART OF THE "SINO-SOVIET BLOC" AND THE "IRON CURTAIN" SEEMED AN IMPENETRABLE BARRIER. EVEN DURING THIS PERIOD, UNCLASSIFIED

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HOWEVER, THERE WERE HARBINGERS OF THE MORE VARIED APPROACH WHICH HAS NOW BECOME THE RULE RATHER THAN THE EXCEPTION;

-- WITH POLAND, FOR EXAMPLE, OUR RELATIONS IMPROVED NOTABLY BEGINNING IN 1956 WHEN POLAND INITIATED A POLICY OF INCREASED INTERNAL LIBERALIZATION AND EASED ITS EMIGRATION POLICIES. THIS WAS GIVEN ADDED IMPETUS IN 1962 AS PART OF THE BROADER THAW IN EAST-WEST RELATIONS.

-- WITH ROMANIA, WE DEVELOPED MORE CONSTRUCTIVE RELATIONS BEGINNING IN THE MID-1960'S WHICH HAVE CONTINUED SINCE. IN THIS CASE THE IMPROVEMENT WAS MADE POSSIBLE BY ROMANIA'S RELATIVELY INDEPENDENT FOREIGN POLICY WHICH INCLUDED AN INTEREST IN BETTER RELATIONS WITH THE UNITED STATES. IN 1969 BUCHAREST BECAME THE FIRST CAPITAL OF A COMMUNIST COUNTRY TO BE VISITED BY ANY AMERICAN PRESIDENT.

WITH THE GROWTH OF A DETENTE RELATIONSHIP WITH MOSCOW AND WITH THE GROWTH OF DIVERSITY IN EASTERN EUROPE, OUR RELATIONS WITH THE COUNTRIES OF THE AREA HAVE DEVELOPED BEYOND THE LIMITED PREVIOUS RANGE. THIS PATTERN OF DEAL-

ING WITH EACH COUNTRY ON AN INDIVIDUAL BASIS IS DETERMINED
IN PART BY THEIR WILLINGNESS TO DEVELOP CONSTRUCTIVE
RELATIONS WITH US. WE WELCOME MOVES TOWARD INTERNAL
LIBERALIZATION OR TOWARD NATIONALLY BASED FOREIGN POLICIES.

THE EVOLUTION OF UNITED STATES POLICY TOWARD THE
REGION IS CLEAR FROM EARLIER HIGH-LEVEL U.S. STATEMENTS:

-- PRESIDENT EISENHOWER, IN AN EFFORT TO ERODE
COLD WAR BARRIERS, PROPOSED A "PEOPLE TO PEOPLE" PROGRAM
WHICH CONTINUES TO FUNCTION AND WHICH SERVES ONE OF THE
CONSISTENT GOALS OF OUR POLICY OVER MANY YEARS-- TO EXPOSE
PEOPLE IN DIFFERENT SOCIETIES TO EACH OTHER IN HOPES OF
PROMOTING BROADER MUTUAL UNDERSTANDING AND REDUCING
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HOSTILITIES.

-- IN 1963, PRESIDENT KENNEDY, IN HIS AMERICAN
UNIVERSITY SPEECH, ADDRESSING HIMSELF TO THE COMMUNIST
STATES OF EUROPE SAID, "SO LET US NOT BE BLIND TO OUR
DIFFERENCES, BUT LET US DIRECT ATTENTION TO OUR COMMON
INTERESTS AND TO THE MEANS BY WHICH THOSE DIFFERENCES
CAN BE RESOLVED. AND IF WE CANNOT END NOW OUR DIFFERENCES,
AT LEAST WE CAN MAKE THE WORLD SAFE FOR DIVERSITY."

-- IN 1964, PRESIDENT JOHNSON SPOKE OF "BUILDING
BRIDGES OF UNDERSTANDING" ACROSS THE GULF WHICH HAD
SEPARATED US FROM EASTERN EUROPE, AND IN 1966 HE PROPOSED
THE EXPANSION OF PEACEFUL TRADE BETWEEN THE UNITED STATES
AND EASTERN EUROPE.

-- IN 1973, DEPUTY SECRETARY OF STATE KENNETH RUSH
SAID THAT "WE SEEK TO ENGAGE THE COUNTRIES OF EASTERN
EUROPE IN AN EXPANDING SET OF CLOSE AND INDIVIDUAL RELA-
TIONSHPIS." RUSH ALSO SET OUT THREE PRINCIPLES FOR OUR
POLICY TOWARD EASTERN EUROPE: TO DEAL WITH EACH COUNTRY
"AS AN INDEPENDENT, SOVEREIGN STATE"; "TO CREATE A
CONTINUING ECONOMIC RELATIONSHIP" THROUGH GREATER TRADE
AND INVESTMENT; AND TO PROMOTE THE ENGAGEMENT OF THE
EASTERN EUROPEAN COUNTRIES " IN THE AFFAIRS OF EUROPE AS
A WHOLE".

CURRENT UNITED STATES POLICY AND OPTIONS

THE RANGE OF UNITED STATES POLICY OPTIONS TOWARD
EASTERN EUROPE TODAY IS IMPLIED IN THE PATTERN OF PAST
UNITED STATES POLICIES. WE COULD:

-- APPROACH THE NATIONS OF THE REGION AS ADVERSARIES, TIED
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AS A "BLOC" MILITARILY, POLITICALLY, AND ECONOMICALLY TO THE SOVIET UNION;

-- OR APPROACH EACH NATION INDIVIDUALLY AND EXPLOIT ALL OPPORTUNITIES TO CHANGE THE STATUS QUO WITHOUT REGARD TO THE CONSEQUENCES AND POWER RELATIONSHIPS IN THE AREA.

NEITHER EXTREME IS ACCEPTABLE. WE INTEND NEITHER TO LEAVE OUR RELATIONS WITH EASTERN EUROPE HOSTAGE TO RELATIONS WITH THE SOVIET UNION, NOR CONDUCT A POLICY THAT IS RECKLESS AND DESTABILIZING IN EUROPE. THE UNITED STATES POLICY THAT HAS EVOLVED IS DESIGNED TO FURTHER UNITED STATES SECURITY INTERESTS IN EUROPE AND TO TAKE INTO ACCOUNT THE GROWING DIVERSITY OF THE AREA.

THIS ADMINISTRATION HAS DEVOTED SUBSTANTIAL ENERGY, AT A HIGH LEVEL AND IN A CONSISTENT DIRECTION, TO THE PURSUIT OF OUR POLICY IN EASTERN EUROPE. SECRETARY VANCE SAID IN BUDAPEST EARLY THIS YEAR, "THE CURRENT ADMINISTRATION IS SEEKING TO IMPROVE ITS RELATIONSHIPS WITH THE COUNTRIES OF EASTERN EUROPE. EACH OF US WILL HAVE TO APPROACH THIS WITH OUR OWN NATIONAL INTERESTS INVOLVED. I THINK THAT THE BEST WAY TO DEAL WITH THESE PROBLEMS IS TO HAVE FACE-TO-FACE DISCUSSIONS WHERE WE CAN DISCUSS

THE DIFFERENCES AND THE COMMON INTERESTS. WE SHALL PURSUE THESE ON THE BASIS OF DEALING ON A CASE BY CASE BASIS, COUNTRY BY COUNTRY, ON THE VARIOUS ISSUES AND COMMON CONCERNS WHICH WE HAVE."

OUR POLICY THEN IS BASED ON THE FOLLOWING:

-- WE RECOGNIZE AND SUPPORT THE INDIVIDUALITY OF EACH NATION IN ITS APPROACH TO DOMESTIC AND FOREIGN AFFAIRS.

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-- WE DEAL WITH EACH COUNTRY AS A SOVEREIGN NATION WHILE TAKING INTO ACCOUNT THE POLITICAL AND GEOGRAPHIC REALITIES OF THE AREA.

-- OUR PRIMARY TOOLS FOR IMPROVING RELATIONS WITH THE AREA ARE EXPANDED HUMAN CONTACTS, TRADE, INSTITUTIONAL COOPERATION, AND INFORMATION FLOW.

-- WE ARE MINDFUL OF THE LIMITS OF U.S. INFLUENCE AND OF THE IMPORTANCE OF CONTRIBUTING TO THE SECURITY OF ALL OF EUROPE IN PURSUIT OF OUR POLICIES.

MORE SPECIFICALLY, WE SEEK TO:

-- DEVELOP MUTUALLY BENEFICIAL BILATERAL RELATIONS TO THE EXTENT THAT INDIVIDUAL COUNTRIES ARE WILLING AND ABLE TO SUSTAIN THEM. FOR EXAMPLE, WE HAVE COMPLETED NEGOTIATION OF CONSULAR AGREEMENTS WITH ALL THE EASTERN EUROPEAN COUNTRIES EXCEPT FOR THE GERMAN DEMOCRATIC REPUBLIC, AND WE HAVE CULTURAL AND SCIENTIFIC EXCHANGE AGREEMENTS WITH BULGARIA, HUNGARY, AND ROMANIA, AND EXTENSIVE EXCHANGE PROGRAMS WITH POLAND.

-- MAINTAIN HIGH LEVEL CONTACT WITH LEADERS OF THOSE EASTERN EUROPEAN COUNTRIES WITH WHICH OUR RELATIONS HAVE SHOWN ADEQUATE IMPROVEMENT. IMPLEMENTING THIS POLICY, PRESIDENT CARTER VISITED POLAND LAST WINTER, PRESIDENT CEAUSESCU OF ROMANIA VISITED THE UNITED STATES THIS SPRING, AND CABINET LEVEL OFFICIALS HAVE EXCHANGED VISITS WITH SEVERAL COUNTRIES IN THE AREA.

-- EXPLORE ALL POSSIBILITIES PROVIDED BY THE HELSINKI FINAL ACT TO STIMULATE CONTACTS AND TO ACHIEVE CONCRETE

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PROGRESS ON THE PRACTICAL PROBLEMS WHICH CONTINUE TO HINDER RELATIONS WITH THE COUNTRIES OF EASTERN EUROPE. IN PARTICULAR, WE SEEK SOLUTIONS TO PROBLEMS AFFECTING THE LIVES OF INDIVIDUALS AND ENCOURAGE THE OBSERVANCE OF FUNDAMENTAL HUMAN RIGHTS. WE ARE ESPECIALLY CONCERNED OVER THE NEED FOR PROGRESS ON DIVIDED FAMILY PROBLEMS,

WHICH ARE OF DIRECT INTEREST TO MANY AMERICAN CITIZENS.

-- PROMOTE CONSTRUCTIVE AND POSITIVE PARTICIPATION IN INTERNATIONAL ORGANIZATIONS AND PEACEFUL RESOLUTION OF DISPUTES. IN PARTICULAR, WE ENCOURAGE SUPPORT FOR AFRICAN POLITICAL SOLUTIONS TO AFRICAN PROBLEMS AND WE OPPOSE EASTERN EUROPEAN PARTICIPATION IN SOVIET AND CUBAN MILITARY ACTIVITIES IN AFRICA AND OTHER TROUBLED REGIONS. ALSO, WE ENCOURAGE EASTERN EUROPEAN NATIONS TO PLAY A MORE CONSTRUCTIVE ROLE IN THE MIDDLE EAST AS ROMANIA HAS DONE.

-- IMPROVE TRADE AND ECONOMIC RELATIONS THROUGH THE RESOLUTION OF NATIONALIZATION CLAIMS AND, WHERE POSSIBLE AND APPROPRIATE, BY THE RECIPROCAL EXTENSION OF MOST-FAVORED-NATION (MFN) TARIFF TREATMENT. WE HAVE NOW

CONCLUDED CLAIMS AGREEMENTS WITH ALL OF THE COUNTRIES OF THE REGION EXCEPT FOR CZECHOSLOVAKIA AND THE GERMAN DEMOCRATIC REPUBLIC. THE IMPLEMENTATION EARLIER THIS SUMMER OF THE U.S.-HUNGARIAN TRADE AGREEMENT MAKES HUNGARY THE THIRD COUNTRY IN EASTERN EUROPE, AFTER POLAND AND ROMANIA, WITH WHICH WE EXCHANGE MFN TARIFF TREATMENT, REFLECTING THE DEVELOPMENT OF OUR RELATIONS WITH THOSE COUNTRIES ACROSS THE BOARD. WE ALSO SEEK TO EXPAND OUR BILATERAL TRADE THROUGH INCREASED COMMERCIAL OPPORTUNITIES AND BUSINESS FACILITATION. PERIODIC GOVERNMENT-TO-GOVERNMENT CONSULTATIONS ON A NUMBER OF LEVELS HELP TO EXPAND OUR BILATERAL TRADE.

-- ENGAGE THE EASTERN EUROPEAN COUNTRIES MORE FULLY IN
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WORLD TRADE AND INTERNATIONAL ECONOMIC ACTIVITIES, SUCH AS IN THE CURRENT MULTILATERAL TRADE NEGOTIATIONS IN GENEVA AND IN VARIOUS NORTH-SOUTH ECONOMIC ISSUES.

-- REDUCE THE NUMBER OF OPPOSING FORCES IN CENTRAL EUROPE THROUGH SERIOUS PURSUIT OF THE VIENNA TALKS ON MUTUAL AND BALANCED FORCE REDUCTIONS (MBFR).

IN CONCLUSION, WE BELIEVE THAT OUR POLICIES TOWARD THE COUNTRIES OF EASTERN EUROPE AND THE OBJECTIVES WE SEEK THROUGH THESE POLICIES ARE GENERALLY SUPPORTED, ON A BIPARTISAN BASIS, BY THE VAST MAJORITY OF THE AMERICAN PUBLIC. OUR APPROACH IS ONE WHICH WE BELIEVE IS BEST DESIGNED TO ENABLE THE UNITED STATES TO PLAY A CONSTRUCTIVE ROLE IN EASTERN EUROPE.

WE APPRECIATE YOUR EFFORTS, MR. CHAIRMAN, AND THOSE OF YOUR COMMITTEE IN INITIATING THIS SERIES OF HEARINGS ON EASTERN EUROPE. WE ARE CERTAIN THAT THEY WILL AID IN OUR EFFORTS TO FORMULATE AND DEVELOP OUR POLICIES,

AND THAT THEY WILL CONTRIBUTE TO GREATER UNDERSTANDING OF OUR APPROACH AND OF RECENT DEVELOPMENTS AND TRENDS IN THAT IMPORTANT PART OF THE WORLD. CHRISTOPHER

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MUNICH FOR FRISBEE

FOLLOWING REPEAT STATE 227265 ACTION WARSAW BUDAPEST BUCHAREST
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-- THE WELFARE OF THE PEOPLES LIVING IN EASTERN EUROPE MATTERS DEEPLY TO ALL AMERICANS. MORE THAN FIFTEEN MILLION AMERICANS HAVE THEIR HERITAGE IN THAT REGION. MILLIONS OF OTHER AMERICANS SYMPATHIZE WITH THE LONG STRUGGLE OF THE PEOPLES OF THE REGION FOR INDEPENDENCE, SECURITY, AND MATERIAL PROGRESS.

RELATED TO BOTH OUR SECURITY AND HUMANITARIAN CONCERNS IS OUR INTEREST IN BUILDING MORE DURABLE TIES WITH THE GOVERNMENTS AND PEOPLES OF EASTERN EUROPE THROUGH EXPANDED TRADE AND ECONOMIC INTERACTION, THROUGH CULTURAL AND EDUCATIONAL EXCHANGES, AND THROUGH THE INCREASED INTERCHANGE OF PEOPLE AND IDEAS. THESE EFFORTS MAY NOT PRODUCE MEASURABLE RESULTS IN THE SHORT TERM, EITHER IN AMELIORATING EAST-WEST RELATIONS OR RELATIONS BETWEEN THE GOVERNMENTS AND THEIR PEOPLES. BUT IT IS CLEAR THAT THE EASTERN EUROPE OF TODAY IS, IN GENERAL, A MORE ACCESSIBLE AND OPEN AREA THAN IT WAS TWO DECADES, OR EVEN A DECADE AGO. AND WE CAN BE FAIRLY CERTAIN THAT A LACK OF EFFORT TO EXPAND CONTACTS WITH THE REGION WOULD RESULT IN GREATER STATE-TO-STATE TENSIONS AND LESS PROGRESS ON HUMANITARIAN QUESTIONS.

ONE CAVEAT IS IMPORTANT. THE EFFORTS OF THIS AND PREVIOUS ADMINISTRATIONS TO IMPROVE RELATIONS WITH THE COUNTRIES OF EASTERN EUROPE IN NO WAY INDICATE A LESSENING OF OUR CONCERN ABOUT THE LACK OF DEMOCRATIC INSTITUTIONS AND OTHER BASIC ELEMENTS OF FREE SOCIETIES IN THAT PART OF THE WORLD. WE CONTINUE TO HAVE PROFOUND DISAGREEMENTS WITH THE GOVERNMENTS OF EASTERN EUROPE OVER MANY QUESTIONS OF POLITICAL FREEDOMS AND BASIC HUMAN AND SOCIAL VALUES.

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WE HAVE SEEN HOPEFUL TRENDS IN THE EVOLUTION OF POLITICAL RIGHTS IN SOME COUNTRIES; THERE HAVE BEEN REGRESSIVE STEPS IN OTHERS. BUT THE VERY EXPANSION OF RELATIONS WITH THESE COUNTRIES HAS ENABLED US TO TALK MORE CANDIDLY WITH THEIR GOVERNMENTS ABOUT OUR DIFFERENCES BOTH IN BILATERAL DISCUSSIONS AND IN MULTILATERAL FORUMS.

EASTERN EUROPEAN INTERESTS

THE COUNTRIES OF EASTERN EUROPE HAVE STRONG INTERESTS IN BETTER RELATIONS WITH THE UNITED STATES. PARAMOUNT

AMONG THESE ARE THEIR OWN SECURITY CONCERNS. THE REGION STANDS TO LOSE DISASTROUSLY FROM ANY MAJOR EAST-WEST ARMED CONFRONTATION. THEIR MEMORIES AND SCARS OF WORLD WAR II ARE STILL FRESH. THE COUNTRIES AND PEOPLES OF THE REGION SEE BETTER RELATIONS WITH THE UNITED STATES, AND WITH THE WEST GENERALLY, AS A MEANS OF REDUCING THE RISK OF SUCH CONFRONTATION. THEY FEEL THEY HAVE A SPECIAL STAKE IN STABLE AND IMPROVING U.S.-SOVIET RELATIONS.

SECOND, THESE COUNTRIES DESIRE, PARTLY THROUGH FOREIGN TIES, TO ENHANCE THEIR NATIONAL IDENTITIES, OF WHICH THEY ARE JUSTIFIABLY PROUD. THEY CAN PURSUE THESE NATIONAL ASPIRATIONS MOST EFFECTIVELY IN AN ATMOSPHERE OF RELAXED EAST-WEST TENSIONS. THE GOVERNMENTS ARE ANXIOUS TO BE ACCEPTED, PARTICULARLY BY THEIR WESTERN EUROPEAN NEIGHBORS AND BY THE UNITED STATES, AS LEGITIMATE MEMBERS OF THE INTERNATIONAL COMMUNITY.

THIRD, ALL OF THE GOVERNMENTS ARE COMMITTED TO ECONOMIC GROWTH, AND THEIR PEOPLES ALL ASPIRE TO A HIGHER STANDARD OF LIVING. EXPANDED ECONOMIC AND COMMERCIAL RELATIONS WITH THE UNITED STATES, INCLUDING ACCESS TO OUR GOODS, TECHNOLOGY, AND KNOW-HOW, AND TO OUR MARKET, SERVE THE GOALS BOTH OF THE GOVERNMENTS AND OF THE PEOPLES

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OF EASTERN EUROPE.

FOURTH, THE IMPROVEMENT OF RELATIONS WITH THE UNITED STATES RESPONDS TO A DEEPLY-FELT ADMIRATION FOR THIS COUNTRY WHICH REMAINS NEARLY UNIVERSAL AMONG PEOPLE THROUGHOUT EASTERN EUROPE. TO THE EXTENT THAT THESE GOVERNMENTS DEAL WITH THE UNITED STATES IN NON-HOSTILE TERMS, THEIR PEOPLES ALSO FEEL MORE RELAXED ABOUT EXPRESSING THEIR GOOD WILL TOWARD THE UNITED STATES. AND TO THE

EXTENT THAT THE GOVERNMENTS CARE ABOUT THE IMPACT OF THEIR INTERNAL PRACTICES ON AMERICAN PUBLIC OPINION, THEY ARE LESS LIKELY TO EMPLOY REPRESSIVE MEASURES AND TO VIOLATE RECOGNIZED NORMS OF HUMAN RIGHTS.

IN ECONOMIC, TRADE AND CULTURAL RELATIONS, THE COUNTRIES OF WESTERN EUROPE HAVE PLAYED A GREATER ROLE HISTORICALLY IN EASTERN EUROPE THAN HAS THE UNITED STATES. HOWEVER, IN PSYCHOLOGICAL AND POLITICAL TERMS THE UNITED STATES IS EXPECTED TO PLAY AND INDEED PLAYS AN IMPORTANT IF NOT VITAL ROLE.

PAST U.S. POLICY

IN THE IMMEDIATE POST-WAR ERA, UNITED STATES POLICY TOWARD EASTERN EUROPE TENDED TO FUNCTION AS A COROLLARY

OF UNITED STATES POLICY TOWARD THE SOVIET UNION. IN THE 1950'S AND 1960'S THE COLD WAR DOMINATED OUR PERCEPTIONS AND CONDITIONED OUR POLICY. WE DEALT WITH THE REGION AS PART OF THE "SINO-SOVIET BLOC" AND THE "IRON CURTAIN" SEEMED AN IMPENETRABLE BARRIER. EVEN DURING THIS PERIOD, HOWEVER, THERE WERE HARBINGERS OF THE MORE VARIED APPROACH WHICH HAS NOW BECOME THE RULE RATHER THAN THE UNCLASSIFIED

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EXCEPTION;

-- WITH POLAND, FOR EXAMPLE, OUR RELATIONS IMPROVED NOTABLY BEGINNING IN 1956 WHEN POLAND INITIATED A POLICY OF INCREASED INTERNAL LIBERALIZATION AND EASED ITS EMIGRATION POLICIES. THIS WAS GIVEN ADDED IMPETUS IN 1962 AS PART OF THE BROADER THAW IN EAST-WEST RELATIONS.

-- WITH ROMANIA, WE DEVELOPED MORE CONSTRUCTIVE RELATIONS BEGINNING IN THE MID-1960'S WHICH HAVE CONTINUED SINCE. IN THIS CASE THE IMPROVEMENT WAS MADE POSSIBLE BY ROMANIA'S RELATIVELY INDEPENDENT FOREIGN POLICY WHICH INCLUDED AN INTEREST IN BETTER RELATIONS WITH THE UNITED STATES. IN 1969 BUCHAREST BECAME THE FIRST CAPITAL OF A COMMUNIST COUNTRY TO BE VISITED BY ANY AMERICAN PRESIDENT.

WITH THE GROWTH OF A DETENTE RELATIONSHIP WITH MOSCOW AND WITH THE GROWTH OF DIVERSITY IN EASTERN EUROPE, OUR RELATIONS WITH THE COUNTRIES OF THE AREA HAVE DEVELOPED BEYOND THE LIMITED PREVIOUS RANGE. THIS PATTERN OF DEALING WITH EACH COUNTRY ON AN INDIVIDUAL BASIS IS DETERMINED IN PART BY THEIR WILLINGNESS TO DEVELOP CONSTRUCTIVE RELATIONS WITH US. WE WELCOME MOVES TOWARD INTERNAL LIBERALIZATION OR TOWARD NATIONALLY BASED FOREIGN POLICIES.

THE EVOLUTION OF UNITED STATES POLICY TOWARD THE
REGION IS CLEAR FROM EARLIER HIGH-LEVEL U.S. STATEMENTS:

-- PRESIDENT EISENHOWER, IN AN EFFORT TO ERODE
COLD WAR BARRIERS, PROPOSED A "PEOPLE TO PEOPLE" PROGRAM
WHICH CONTINUES TO FUNCTION AND WHICH SERVES ONE OF THE
CONSISTENT GOALS OF OUR POLICY OVER MANY YEARS-- TO EXPOSE
PEOPLE IN DIFFERENT SOCIETIES TO EACH OTHER IN HOPES OF
PROMOTING BROADER MUTUAL UNDERSTANDING AND REDUCING
HOSTILITIES.

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-- IN 1963, PRESIDENT KENNEDY, IN HIS AMERICAN
UNIVERSITY SPEECH, ADDRESSING HIMSELF TO THE COMMUNIST
STATES OF EUROPE SAID, "SO LET US NOT BE BLIND TO OUR
DIFFERENCES, BUT LET US DIRECT ATTENTION TO OUR COMMON
INTERESTS AND TO THE MEANS BY WHICH THOSE DIFFERENCES
CAN BE RESOLVED. AND IF WE CANNOT END NOW OUR DIFFERENCES,
AT LEAST WE CAN MAKE THE WORLD SAFE FOR DIVERSITY."

-- IN 1964, PRESIDENT JOHNSON SPOKE OF "BUILDING
BRIDGES OF UNDERSTANDING" ACROSS THE GULF WHICH HAD
SEPARATED US FROM EASTERN EUROPE, AND IN 1966 HE PROPOSED
THE EXPANSION OF PEACEFUL TRADE BETWEEN THE UNITED STATES
AND EASTERN EUROPE.

-- IN 1973, DEPUTY SECRETARY OF STATE KENNETH RUSH
SAID THAT "WE SEEK TO ENGAGE THE COUNTRIES OF EASTERN
EUROPE IN AN EXPANDING SET OF CLOSE AND INDIVIDUAL RELA-
TIONSIPS." RUSH ALSO SET OUT THREE PRINCIPLES FOR OUR
POLICY TOWARD EASTERN EUROPE: TO DEAL WITH EACH COUNTRY
"AS AN INDEPENDENT, SOVEREIGN STATE"; "TO CREATE A
CONTINUING ECONOMIC RELATIONSHIP" THROUGH GREATER TRADE
AND INVESTMENT; AND TO PROMOTE THE ENGAGEMENT OF THE
EASTERN EUROPEAN COUNTRIES " IN THE AFFAIRS OF EUROPE AS
A WHOLE".

CURRENT UNITED STATES POLICY AND OPTIONS

THE RANGE OF UNITED STATES POLICY OPTIONS TOWARD
EASTERN EUROPE TODAY IS IMPLIED IN THE PATTERN OF PAST
UNITED STATES POLICIES. WE COULD:

-- APPROACH THE NATIONS OF THE REGION AS ADVERSARIES, TIED
AS A "BLOC" MILITARILY, POLITICALLY, AND ECONOMICALLY TO
THE SOVIET UNION;

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-- OR APPROACH EACH NATION INDIVIDUALLY AND EXPLOIT ALL OPPORTUNITIES TO CHANGE THE STATUS QUO WITHOUT REGARD TO THE CONSEQUENCES AND POWER RELATIONSHIPS IN THE AREA.

NEITHER EXTREME IS ACCEPTABLE. WE INTEND NEITHER TO LEAVE OUR RELATIONS WITH EASTERN EUROPE HOSTAGE TO RELATIONS WITH THE SOVIET UNION, NOR CONDUCT A POLICY THAT IS RECKLESS AND DESTABILIZING IN EUROPE. THE UNITED STATES POLICY THAT HAS EVOLVED IS DESIGNED TO FURTHER UNITED STATES SECURITY INTERESTS IN EUROPE AND TO TAKE INTO ACCOUNT THE GROWING DIVERSITY OF THE AREA.

THIS ADMINISTRATION HAS DEVOTED SUBSTANTIAL ENERGY, AT A HIGH LEVEL AND IN A CONSISTENT DIRECTION, TO THE PURSUIT OF OUR POLICY IN EASTERN EUROPE. SECRETARY VANCE SAID IN BUDAPEST EARLY THIS YEAR, "THE CURRENT ADMINISTRATION IS SEEKING TO IMPROVE ITS RELATIONSHIPS WITH THE COUNTRIES OF EASTERN EUROPE. EACH OF US WILL HAVE TO APPROACH THIS WITH OUR OWN NATIONAL INTERESTS INVOLVED. I THINK THAT THE BEST WAY TO DEAL WITH THESE PROBLEMS IS TO HAVE FACE-TO-FACE DISCUSSIONS WHERE WE CAN DISCUSS

THE DIFFERENCES AND THE COMMON INTERESTS. WE SHALL PURSUE THESE ON THE BASIS OF DEALING ON A CASE BY CASE BASIS, COUNTRY BY COUNTRY, ON THE VARIOUS ISSUES AND COMMON CONCERNS WHICH WE HAVE."

OUR POLICY THEN IS BASED ON THE FOLLOWING:

-- WE RECOGNIZE AND SUPPORT THE INDIVIDUALITY OF EACH NATION IN ITS APPROACH TO DOMESTIC AND FOREIGN AFFAIRS.

-- WE DEAL WITH EACH COUNTRY AS A SOVEREIGN NATION WHILE TAKING INTO ACCOUNT THE POLITICAL AND GEOGRAPHIC REALITIES
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OF THE AREA.

-- OUR PRIMARY TOOLS FOR IMPROVING RELATIONS WITH THE AREA ARE EXPANDED HUMAN CONTACTS, TRADE, INSTITUTIONAL COOPERATION, AND INFORMATION FLOW.

-- WE ARE MINDFUL OF THE LIMITS OF U.S. INFLUENCE AND OF THE IMPORTANCE OF CONTRIBUTING TO THE SECURITY OF ALL OF EUROPE IN PURSUIT OF OUR POLICIES.

MORE SPECIFICALLY, WE SEEK TO:

-- DEVELOP MUTUALLY BENEFICIAL BILATERAL RELATIONS TO THE EXTENT THAT INDIVIDUAL COUNTRIES ARE WILLING AND ABLE TO SUSTAIN THEM. FOR EXAMPLE, WE HAVE COMPLETED NEGOTIATION OF CONSULAR AGREEMENTS WITH ALL THE EASTERN EUROPEAN COUNTRIES EXCEPT FOR THE GERMAN DEMOCRATIC REPUBLIC, AND WE HAVE CULTURAL AND SCIENTIFIC EXCHANGE AGREEMENTS WITH BULGARIA, HUNGARY, AND ROMANIA, AND EXTENSIVE EXCHANGE PROGRAMS WITH POLAND.

-- MAINTAIN HIGH LEVEL CONTACT WITH LEADERS OF THOSE EASTERN EUROPEAN COUNTRIES WITH WHICH OUR RELATIONS HAVE SHOWN ADEQUATE IMPROVEMENT. IMPLEMENTING THIS POLICY, PRESIDENT CARTER VISITED POLAND LAST WINTER, PRESIDENT CEAUSESCU OF ROMANIA VISITED THE UNITED STATES THIS SPRING, AND CABINET LEVEL OFFICIALS HAVE EXCHANGED VISITS WITH SEVERAL COUNTRIES IN THE AREA.

-- EXPLORE ALL POSSIBILITIES PROVIDED BY THE HELSINKI FINAL ACT TO STIMULATE CONTACTS AND TO ACHIEVE CONCRETE PROGRESS ON THE PRACTICAL PROBLEMS WHICH CONTINUE TO HINDER RELATIONS WITH THE COUNTRIES OF EASTERN EUROPE.
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IN PARTICULAR, WE SEEK SOLUTIONS TO PROBLEMS AFFECTING THE LIVES OF INDIVIDUALS AND ENCOURAGE THE OBSERVANCE OF FUNDAMENTAL HUMAN RIGHTS. WE ARE ESPECIALLY CONCERNED OVER THE NEED FOR PROGRESS ON DIVIDED FAMILY PROBLEMS,

WHICH ARE OF DIRECT INTEREST TO MANY AMERICAN CITIZENS.

-- PROMOTE CONSTRUCTIVE AND POSITIVE PARTICIPATION IN INTERNATIONAL ORGANIZATIONS AND PEACEFUL RESOLUTION OF DISPUTES. IN PARTICULAR, WE ENCOURAGE SUPPORT FOR AFRICAN POLITICAL SOLUTIONS TO AFRICAN PROBLEMS AND WE OPPOSE EASTERN EUROPEAN PARTICIPATION IN SOVIET AND CUBAN MILITARY ACTIVITIES IN AFRICA AND OTHER TROUBLED REGIONS. ALSO, WE ENCOURAGE EASTERN EUROPEAN NATIONS TO PLAY A MORE CONSTRUCTIVE ROLE IN THE MIDDLE EAST AS ROMANIA HAS DONE.

-- IMPROVE TRADE AND ECONOMIC RELATIONS THROUGH THE RESOLUTION OF NATIONALIZATION CLAIMS AND, WHERE POSSIBLE AND APPROPRIATE, BY THE RECIPROCAL EXTENSION OF MOST-FAVORED-NATION (MFN) TARIFF TREATMENT. WE HAVE NOW CONCLUDED CLAIMS AGREEMENTS WITH ALL OF THE COUNTRIES OF THE REGION EXCEPT FOR CZECHOSLOVAKIA AND THE GERMAN DEMOCRATIC REPUBLIC. THE IMPLEMENTATION EARLIER THIS SUMMER OF THE U.S.-HUNGARIAN TRADE AGREEMENT MAKES HUNGARY

THE THIRD COUNTRY IN EASTERN EUROPE, AFTER POLAND AND ROMANIA, WITH WHICH WE EXCHANGE MFN TARIFF TREATMENT, REFLECTING THE DEVELOPMENT OF OUR RELATIONS WITH THOSE COUNTRIES ACROSS THE BOARD. WE ALSO SEEK TO EXPAND OUR BILATERAL TRADE THROUGH INCREASED COMMERCIAL OPPORTUNITIES AND BUSINESS FACILITATION. PERIODIC GOVERNMENT-TO-GOVERNMENT CONSULTATIONS ON A NUMBER OF LEVELS HELP TO EXPAND OUR BILATERAL TRADE.

-- ENGAGE THE EASTERN EUROPEAN COUNTRIES MORE FULLY IN WORLD TRADE AND INTERNATIONAL ECONOMIC ACTIVITIES, SUCH UNCLASSIFIED

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AS IN THE CURRENT MULTILATERAL TRADE NEGOTIATIONS IN GENEVA AND IN VARIOUS NORTH-SOUTH ECONOMIC ISSUES.

-- REDUCE THE NUMBER OF OPPOSING FORCES IN CENTRAL EUROPE THROUGH SERIOUS PURSUIT OF THE VIENNA TALKS ON MUTUAL AND BALANCED FORCE REDUCTIONS (MBFR).

IN CONCLUSION, WE BELIEVE THAT OUR POLICIES TOWARD THE COUNTRIES OF EASTERN EUROPE AND THE OBJECTIVES WE SEEK THROUGH THESE POLICIES ARE GENERALLY SUPPORTED, ON A BIPARTISAN BASIS, BY THE VAST MAJORITY OF THE AMERICAN PUBLIC. OUR APPROACH IS ONE WHICH WE BELIEVE IS BEST DESIGNED TO ENABLE THE UNITED STATES TO PLAY A CONSTRUCTIVE ROLE IN EASTERN EUROPE.

WE APPRECIATE YOUR EFFORTS, MR. CHAIRMAN, AND THOSE OF YOUR COMMITTEE IN INITIATING THIS SERIES OF HEARINGS ON EASTERN EUROPE. WE ARE CERTAIN THAT THEY WILL AID IN OUR EFFORTS TO FORMULATE AND DEVELOP OUR POLICIES,

AND THAT THEY WILL CONTRIBUTE TO GREATER UNDERSTANDING OF OUR APPROACH AND OF RECENT DEVELOPMENTS AND TRENDS IN THAT IMPORTANT PART OF THE WORLD. CHRISTOPHER UNQUOTE CHRISTOPHER

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